

To: Mike Wells, Executive Director, Valdez Fisheries Development Association

From: McKinley Research Group

Date: March 16, 2026

Re: Memorandum to Alaska Board of Fisheries: Value of Sport Fishing in the Valdez Area

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Valdez Fisheries Development Association (VFDA) contracted with McKinley Research Group to describe the effect of salmon hatchery operations on commercial and non-commercial fishing opportunities and analyze the hatchery's regional and statewide economic impacts. This memo summarizes VFDA's impact on sport fishing and other non-commercial fishing in the Valdez Arm and the greater Prince Williams Sound (PWS) region.

### **VFDA SALMON ANCHORS THE REGIONAL SPORT FISHING SECTOR**

The Valdez Arm supports the largest sport fishery in PWS. Anglers fishing from Valdez account for nearly half of the sport fishing participation in the region. Coho (silver) and pink salmon produced by VFDA are vital to sport fishing near Valdez and in the eastern PWS. Coho salmon are the signature sport fish species in the Valdez area. Prior to the first returns of VFDA coho salmon in the mid-1980s, fewer than 10,000 coho salmon returned to the eastern district of PWS each year. Today, coho returns often exceed 100,000 fish and have reached as high as 300,000 fish in 2006.

Sport fishing provides value to residents and attracts visitors from elsewhere in Alaska, the Lower 48, and abroad. Anglers fish on guided and unguided boat trips and from the shoreline; they patronize outfitters, hospitality providers, and local retailers. Destination-fishing in a road-connected community means that visitors have time to participate in non-fishing activities and interact with the local economy. Sport fishermen typically spend two to three days in Valdez fishing during a trip. From 2017-2024, an average of 22,000 sport anglers logged 58,000 days fishing in the Valdez area each year. Sport harvest of coho salmon was around 27,000 fish per year, and more than 10,000 fish per year for pink salmon. Fishermen attracted to the region by salmon also fish for halibut, rockfish, lingcod, and Chinook salmon.

The growing returns of salmon that followed VFDA's successful start-up in the 1980s bolstered the Valdez Salmon Derby, which dates back to 1952, and spawned new special derbies for women anglers and children in the early 2000s. Today, more than 5,000 anglers participate in these derbies each year. Most of the salmon caught in these events originate at the VFDA hatchery.

### **VFDA SUPPORTS CHARTER FISHING AND SMALL BOAT BUSINESSES**

Charter fishing is an integral part of the regional visitor industry and VFDA is the key source of fish harvested by the fleet. In addition to fishing, Valdez charter operators offer sightseeing and kayak



guiding, and provide general transportation services to visitors and residents. Guided sport fishermen are important clients for small fish processors. Sixty percent of guided anglers fishing in PWS are non-residents and bring additional spending into the local economy. From 2017 through 2025, Valdez operators served around 4,900 angler-days per year. Depending on the type of trip (target species, duration), clients paid \$300 to \$570 per day. Between 30% and 40% of charter fishing days out of Valdez occurred on trips targeting coho salmon.

Ten Valdez-based charter fishing businesses operated 18 vessels in 2025. Several local businesses also offer unguided rental boats to fishermen. Saltwater charter operators extend the annual fishing economy in Valdez by attracting anglers before the shoreline salmon fishery is active in late summer, and by providing access to deep-water sport fish such as halibut, rockfish, and lingcod, which are not accessible from shore. The Valdez charter industry could not sustain its annual operation without the salmon fishery.

**ECONOMIC IMPACT ON THE ALASKA ECONOMY**

VFDA directly contributes to the Alaska fishing and processing sector, and its operations support jobs throughout many industries in the state. Direct impacts are the jobs, labor income, and value added by fishing, processing, and hatchery operation; indirect impacts are jobs and labor income supported by direct industry spending on goods and services; induced impacts are additional jobs and labor income generated as directly and indirectly employed workers spend income in their home communities.

	Direct	Indirect and Induced	Total Impacts
<b>Sport Fishing</b>			
Employment (annualized)	80	25	105
Labor Income (\$millions)	\$3.1	\$1.6	\$4.7
Output (\$millions)	\$7.4	\$2.5	\$9.9
<b>All Sectors – Sport, Commercial, Seafood Processing &amp; VFDA Operations</b>			
Employment (annualized)	433	237	670
Labor Income (\$millions)	\$24.8	\$10.7	\$35.4
Output (\$millions)	\$66.1	\$37.6	\$103.7

Source: ADF&G and VFDA data, and MRG calculations.

**OTHER COMMUNITY CONNECTIONS**

VFDA expects to spend \$370,000 to operate the coho hatchery program in Fiscal Year 2027. These funds are generated from round pink salmon sales and operational grants. The City of Valdez recognizes the value that the coho sport fishery provides to the community’s economy and funds the hatchery’s coho feed program through an annual grant of \$120,000 to \$160,000 (2023-2025).

VFDA has collaborated with the Tatitlek Corporation on a coho salmon stocking program to enhance fishing opportunities for residents of Tatitlek, a qualified subsistence community, since 2011. VFDA annually transfers 20,000 coho smolt to a pen in Boulder Bay near Tatitlek to be imprinted and released, creating future harvest opportunities for the community.